A6755-1 12/21/83

NAFA Bulletin

holiday greetings

news highlights

New Goals in Management Is 'Major Thrust' of Annual Conference

"Strive for New Goals," is the theme for NAFA's 27th Annual Conference to be held March 17-21, 1984,at the Westin Bonaventure Hotel in Los Angeles, California.

According to General Conference Chairman Bill Gravesmill, "The major thrust of the conference is new goals in management. All topics will be tied tightly to management studies."

New Approach

A new approach has been taken in establishing an agenda that is both innovative and informative. There will be a different theme for each day of the conference. Sessions and workshops will focus on "New Management Concepts" on Monday, "Fleet Management Concepts" on Tuesday, and "Solving Vehicle Management Problems" on Wednesday.

Topics Covered

Some of the topics to be covered during the three days will be: Understanding Your Different Management Roles; Managing with People — for Team Problem Solving; Legislative Update; Effective Fleet Management Communications; Risk Management Alternatives; Fleet Managers and Their Environment; Repair Fraud and Emissions Inspections Programs, and After-Market Fuel Devices: Do They Work?

The Westin Bonaventure Hotel in Los Angeles is the site for NAFA's 27th Annual Conference.

More Workshops

A completely new format has been developed for the ever-popular workshops, long a tradition at NAFA conferences. This year there will be three types of workshops with a different moderator for each one. The first will be the traditional industry workshop where you will share information with managers within your business area. The second workshop, answering a long-felt need, will be by size of fleet. Here

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Cover: Illustrated by Cindi Samol

NAFA Bulletin

Official Monthly Publication of The National Association of Fleet Administrators, Inc.
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The Department of Energy has submitted to Congress a National Energy Policy Plan. The goal is to foster an adequate supply of energy at reasonable costs — a goal on which nearly everyone can agree.

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The used car can bring in more dollars if it is desirable to the buyer, who, most often, is the consumer. Therefore, it is important to know as much as you can about what the consumers' needs, habits and tastes are.

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There are different variables that go into selecting the 'right' fleet car. The points made by Runzheimer are based on its 1983 study.

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Runzheimer's 'Profile' Of Today's Fleet Car

*Robert Kastengren, executive vice president, Transportation Division, Runzheimer & Co., Inc., and Brad Burris, publisher, **Runzheimer Reports**, were part of a panel discussion at the AALA meeting recently held in Washington. The panel, which included Bill Gast of Mike Albert Leasing, discussed the variables that go into selecting the 'right' fleet car.*

The points made by both Kastengren and Burris are based on a 1983 study conducted by Runzheimer. The following article highlights its findings.

With responses from 775 fleets, Runzheimer drew a composite fleet summary that in 1983 consisted of 335 units. Within this average fleet there were 124 compacts; 77 intermediates; 77 subcompacts; 30 intermediate specialty cars; 24 full-size cars, and three luxury cars.

Sixty-two percent of company-provided cars, according to the Runzheimer study, are four-door sedans, 15 percent are two-door coupes; 15 percent are hatchbacks, and eight percent are station wagons. Some 55 percent of all cars ordered by the fleets in 1983 were front-wheel drive cars, according to the survey.

Engine Sizes

In its section on engine sizes, Runzheimer reported, "although more firms are likely to have 6-cylinder cars than 4 or 8-cylinder cars, most cars (54 percent) operated by our respondents are powered by four-cylinder engines. Thirty-eight percent of all respondent fleets have six-cylinder engines, while only eight percent have V-8 engines. These survey results show that downsizing has definitely become a reality among United States business fleets."

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Car Sizes In Today's Fleets

Looking at car sizes, we see as expected for U.S. business, except, perhaps a higher percentage of subcompacts than we would expect.

In U.S. government, the larger sizes really represent the fact that the government car is cycled less frequently and so they have more older cars still in service.

Canadian business is even better focused in the compact and intermediate categories, with but few subcompacts and full size cars.

Size	U.S. Business	U.S. Government	Canadian Business
Subcompact	23%	20%	4%
Compact	37	37	53
Intermediate	23	29	23
Intermediate Specialty	9	2	11
Full Size	7	11	8
Luxury	1	1	1

What Is The Greatest Problem Foreseen By Fleets For The Near Future?

As cars are being held longer, as more 4's and front-wheel drive's come on the scene, the cost of maintenance and repairs becomes a larger concern doesn't it?

Problem	U.S. Business	U.S. Government	Canadian Business
Cost of Maintenance and Repairs	31%	42%	19%
New Car Prices	20	17	7
Vehicle Selection	10	7	13
Miscellaneous	10	19	12
Vehicle Disposal	9	2	5
Cost of Financing	8	1	9
Cost of Gasoline	5	8	19
Driver Morale	4	2	8
Personal Use Chargebacks	3	2	8

Today's Fleet Car

(Continued from page 17)

In reporting on replacement cycling, the Runzheimer study revealed that "most (62 percent) United States respondents with company-owned or leased vehicles use a combination of time and mileage guidelines when replacing their fleet cars. Fourteen percent use "mileage only" and nine percent use "time only." Fifteen percent have no specific vehicle replacement policy. According to Runzheimer, "36 months/60,000 miles is the most common combination of limitations for replacement of business cars among our sample."

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Accessories Used In Today's Fleets

The only surprise here might be the figures showing that the AM/FM radio is more frequently ordered in fleets than the standard AM only radio.

1983 government cars, on the whole, have fewer accessories and optional equipment than private business cars. The percentages listed for each item are less frequent than for 1983 business cars. In an effort to cut costs, the government vehicle is often a "stripped-down" model compared to its private sector cousin.

Accessory	U.S. Business	U.S. Government	Canadian Business
Power Steering	98%	92%	100%
Power Brakes	98	93	100
Automatic Transmission	97	98	99
Air	96	73	77
Tinted Glass	91	59	77
Cruise Control	57	15	41
AM/FM Radio	53	13	53
AM only Radio	47	67	47

Engine Sizes In Today's Fleets

Here we see the dominance of the 4 cylinder engine for fleet car usage — the government column once again representing a lot of "older" cars that haven't been cycled down yet.

Engine Size	U.S. Business	U.S. Government	Canadian Business
4	54%	33%	54%
6	38	35	37
8	8	32	9

Body Styles In Today's Fleets

Body Style	U.S. Business	U.S. Government	Canadian Business
4-door Sedan	62%	88%	65%
2-door	15	5	11
Station Wagon	8	4	8
Hatchback	15	3	16

Large Car Demand To Lessen In 1984

Automakers are adding front-wheel drives to their lineups while dropping rear-wheel designs. Here's what Chase Econometrics says about overall manufacturer production.

Category	Production Currently	Production Expected in 1984
Larger, RWD	55.0%	54.0%
Smaller, FWD	21.8	22.5
Sporty	8.4	8.5
Specialty	14.8	15.0

NOTE

ONLY THE FOLLOWING PAGES OF THIS

PUBLICATION HAVE BEEN FILMED

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